Retention Price Scheme for Ammonium Sulphate

3081. SHRI GAYA SINGH : Will the PRIME MINISTER be pleased to state :

(a) whether it is fact that Ammonium Sulphate has been brought under Retention Price Scheme ;

(b) if so, what price has been fixed for Ammonium Sulphate to be produced at Sindri Unit of the Fertilizer Corporation of India Limited ;

(c) whether Government are planning to run Ammonuim Sulphate Plant at Sindri after due revamping and renovation : and

(d) if not, what decision is going to be taken regarding the fate of this plant at Sindri ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO) ; (a) Yes, Sir.

(b) The retention price has been fixed provisionally at Rs. 3170/- PMT w.e.f. 25-8-92 for Ammonium Sulphate to be produced at Sindri unit of Fertilizer Corporation of India Limited (FCI).

(c) and (d) Revamping of Ammonium Sulphate Plant was not proceeded with by FCI due to all round physical deterioration of the plant, non availability of inputs, frequent breakdowns and unviable operations. In the meantime, FCI has been declared a sick company by the Board for Industrial and Financial Reconstruction (BIFR) under the Sick Industrial Companies (Special Provisions) Act, 1985. Any final decision would depend upon deliberations of BIFR and availability of funds.

Expansion of petro-chemicals sector in the Eighth Five Year Plan

3082. SHRI RAJUBHAI A. PARMAR: Will the PRIME MINISTER be pleased to state :

(a) whether Government have chalked out any comprehensive programme for expansion of petro-chemicals sector in the Eighth Five Year Plan ;

(b) if so, the details thereof ; and the estimated investment to be made therein ; and

(c) the details of the schemes programme/contemplated for new petro-chemical complexes/expansion of the existing ones therein State-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (c) The petro-chemical industry has now been, by and large, de-licensed. The approvals have been given for setting up several mega olefin and aromatic complexes in Assam, Andhra Pradesh, Gujarat, Maharashtra, Tamil Nadu, Uttar Pradesh and West Bengal involving an investment of over Rs. 25,000 crores.

Study of sickness of Sindri Units of Fertilizer Corporation of India Ltd.

3083. SHRI GAYA SINGH : Will the PRIME MINISTER be pleased to state :

(a) whether Government have made any critical study for the sickness of the Sindri Unit of the Fertilizer Corporation of India Limited ;

(b) if so, whether it is a fact that Sindri Unit has incurred losses because of delay and in decision on the part of the Administrative Ministry ;

(c) whether it is fact that on an investment of a few hundred lakhs of rupees Sindri Unit can be made viable ; and

(d) if so, the reasons for not taking an early decision in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO) : (a) and (b) Government has been continuously monitoring the performance of Sindri unit of the Fertilizer Corporation of India Ltd. (FCI). In the Sindri unit, which came into production in 1951. Some old plants were phased out in 1978 and two new plants named Sindri Modernisation Plant (SMP) and Sindri Rationalisation Plant (SRP) were completed in 1979. The SRP was written off in 1988 due to uneconomical functioning. Equipment problems, power supply limitations and liquidity problems are the main reasons for losses in the Sindri unit.

(c) and (d) FCI is implementing a revamping scheme for Sindri unit at an estimated cost of Rs. 16.23 crores, including a provision of Rs. 10.078 crores for revamping of its Captive Power Plant. FCI has already spent Rs. 4.46 crores on the Scheme, FCI has also a scheme estimated to cost of Rs. 33.30 crores for modernising their Sindri plant. In view of the budgetary constraints, it has not been possible to take up FCI's proposal for a new Captive Power Plant of 2×19 MW capacity at an estimated cost of Rs. 142.64 crores. In the meantime, FCI has been declared a sick company by the Board for Industrial and Financial Reconstruction (BIFR) under the Sick Industrial Companies (Special Provisions) Act, 1985.